## **Amendments to the Claims:**

This listing of claims will replace all prior versions, and listings of claims in the application:

## **Listing of Claims:**

Claim 1. (currently amended) A system for managing coupon redemption under a reward program, comprising:

a <u>portable</u> token configured to store an electronic coupon and a redemption tally, the redemption tally representing the number of times the electronic coupon has been redeemed by a holder of the <u>portable</u> token for a corresponding reward under the reward program; and

a token acceptance device configured to <u>receive the portable token and</u> store a redemption limit relating to the electronic coupon, the redemption limit representing the maximum number of times the electronic coupon is allowed to be redeemed for the corresponding reward under the reward program, the token acceptance device further configured to receive information relating to a transaction from the holder;

wherein the holder indicates to the token acceptance device that the electronic coupon is to be redeemed and applied to the transaction; and

wherein upon receiving indication of redemption of the electronic coupon, the token acceptance device compares the redemption limit to the redemption tally and determines whether the electronic coupon is allowed to be redeemed and applied to the transaction.

Claim 2. (original) The system of claim 1 further comprising:

a reward host configured to allow a reward program sponsor to establish the redemption limit and communicate the redemption limit to the token acceptance device.

Claim 3. (original) The system of claim 2 wherein the reward host is further configured to allow the reward program sponsor to change the redemption limit in response to one or more conditions.

Claim 4. (currently amended) The system of claim 2 wherein the redemption limit is established based on one or more criteria that are specific to the holder of the <u>portable</u> token.

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Claim 5. (currently amended) The system of claim 1 wherein the <u>portable</u> token includes one of a smartcard card, a cellular phone, a personal digital assistant, a pager, a payment card, a security card, an access card, smart media and a transponder.

Claim 6. (original) The system of claim 1 wherein the token acceptance device includes one of a point-of-sale device, a cellular phone, a personal digital assistant (PDA), a personal computer (PC), a tablet PC, a handheld specialized reader, a set-top box, an electronic cash register, a virtual cash register, a kiosk, a security system, and an access system.

Claim 7. (currently amended) The system of claim 1 wherein if it is determined that the electronic coupon is allowed to be redeemed, the token acceptance device updates the redemption tally of the <u>portable</u> token.

Claim 8. (currently amended) A system for managing coupon redemption under a reward program, comprising:

a reward host configured to store a redemption limit, the redemption limit representing the maximum number of times an electronic coupon is allowed to be redeemed for a reward under the reward program; and

a token acceptance device configured to receive the redemption limit from the reward host, the token acceptance device further configured to receive a <u>portable</u> token, the <u>portable</u> token having stored thereon a redemption tally, the redemption tally representing the number of times the electronic coupon has been redeemed by a holder of the <u>portable</u> token for the reward under the reward program, the token acceptance device also configured to receive information relating to a transaction from the holder;

wherein the holder indicates to the token acceptance device that the electronic coupon is to be redeemed and applied to the transaction; and

wherein upon receiving indication of redemption of the electronic coupon, the token acceptance device compares the redemption limit to the redemption tally and determines whether the electronic coupon is allowed to be redeemed and applied to the transaction.

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Claim 9. (original) The system of claim 8 wherein the reward host is further configured to allow a reward program sponsor to establish the redemption limit and communicate the redemption limit to the token acceptance device.

Claim 10. (original) The system of claim 9 wherein the reward host is further configured to allow the reward program sponsor to change the redemption limit based on one or more conditions.

Claim 11. (currently amended) The system of claim 9 wherein the redemption limit is established based on one or more criteria that are specific to the holder of the <u>portable</u> token.

Claim 12. (currently amended) The system of claim 8 wherein the <u>portable</u> token includes one of a smartcard card, a cellular phone, a personal digital assistant, a pager, a payment card, a security card, an access card, smart media and a transponder.

Claim 13. (original) The system of claim 8 wherein the token acceptance device includes one of a point-of-sale device, a cellular phone, a personal digital assistant (PDA), a personal computer (PC), a tablet (PC), a handheld specialized reader, a set-top box, an electronic cash register, a virtual cash register, a kiosk, a security system, and an access system.

Claim 14. (currently amended) The system of claim 8 wherein if it is determined that the electronic coupon is allowed to be redeemed, the token acceptance device updates the redemption tally of the <u>portable</u> token.

Claim 15. (currently amended) A method for managing coupon redemption under a reward program, comprising:

retrieving a token image from a <u>portable</u> token, the token image having an electronic coupon and a redemption tally relating to the electronic coupon, the redemption tally representing the number of times the electronic coupon has been redeemed for a corresponding reward under the reward program; and

comparing the redemption tally to a redemption limit, the redemption limit representing the maximum number of times the electronic coupon is allowed to be redeemed for the corresponding reward under the reward program.

Claim 16. (original) The method of claim 15 further comprising: storing the redemption limit in a token acceptance device.

Claim 17. (original) The method of claim 16 further comprising: allowing a reward program sponsor to establish the redemption limit; and communicating the redemption limit to the token acceptance device.

Claim 18. (currently amended) The method of claim 17 wherein the redemption limit is established based on one or more criteria that are specific to a holder of the <u>portable</u> token.

Claim 19. (original) The method of claim 17 further comprising: allowing the reward program sponsor to change the redemption limit based on one or more conditions.

Claim 20. (original) The method of claim 15 wherein comparing the redemption tally to the redemption limit further comprises:

determining whether the electronic coupon is allowed to be redeemed.

Claim 21. (currently amended) The method of claim 20 further comprising: if it is determined that the electronic coupon is allowed to be redeemed, updating the redemption tally of the <u>portable</u> token.

Claim 22. (currently amended) The method of claim 15 wherein the <u>portable</u> token includes one of a smartcard card, a cellular phone, a personal digital assistant, a pager, a payment card, a security card, an access card, smart media and a transponder.

Claims 23.-43. (canceled)

Claim 44. (new) The system of claim 2 wherein the reward host is further configured to prioritize multiple coupon redemptions for the transaction.

Claim 45. (new) The system of claim 44 wherein the reward host is further configured to resolve conflicts between the electronic coupon and a paper-based coupon.

Claim 46. (new) The method of claim 20 wherein determining whether the electronic coupon is allowed to be redeemed further comprises:

prioritizing multiple coupon redemptions.